(384)

UNITED
NATIONS

TD

United Nations Conference on Trade and Development

Distr.
LIMITED

TD/B/L.933
30 April 1992

Original: ENGLISH

TRADE AND DEVELOPMENT BOARD
Thirty-eighth session
Second part
Geneva, 21 April 1992
Agenda item 2

Draft of terms of reference
Ad Hoc Working Group on Comparative Experiences with Privatization

Agreed text submitted by the Chairman of Drafting Group A

1. To review the experiences of countries with privatization.

2. To consider medium- and long-term objectives of privatization processes taking into account relevant factors, including the diversity of country situations, in order to promote greater efficiency in economic activities, more effective allocation of resources and the dynamism and competitiveness through restructuring of enterprises and/or economic sectors; employment creation; social benefit distribution and economic development in general.

3. To consider factors pertinent to the design and implementation of privatization programmes, such as, inter-alia, overall development of the private sector; the role of the state, in particular in determining the legal and regulatory framework for privatization, and the scale and pace of the process; criteria for selecting enterprises to be privatized; the relationship between privatization and domestic financial markets; foreign investment; infrastructure; administrative capacity; patterns of ownership and control; corporate performance and competition; employee motivation; public awareness and support; mechanisms for employment creation and, in general, relationships with social development programmes.

4. To elaborate, as possible guidelines for policy-makers, basic elements for consideration in formulating privatization programmes and plans.

5. To serve as a forum for the presentation of national programmes and plans for privatization as well as for the exchange and dissemination of relevent information. In that connection the Ad Hoc Working Group should seek from interested countries the presentation of information on their national experiences and draw on the experience and expertise of non-governmental actors, particularly enterprises, trade unions and the academic community.